



Form GSOP 1-PIN (04/98)

STATE OF CALIFORNIA  
Department of General Services - Office of Procurement

**PURCHASE ORDER**

Page 1

Purchase Order No. Rev. Date  
62371 6/30/2009

Supplier No.	Solicitation No.	Delivery Date	FOB Point	Invoice Terms
803517	57294	As Specified	Destination	

BOWE BELL & HOWELL COMPANY  
3791 SOUTH ALSTON AVENUE  
DURHAM, NC 27713

S DEPT OF GENERAL SERVICES  
h T OFC OF STATE PUBLISHING  
i o 1050 RICHARDS BLVD  
p SACRAMENTO, CA 95811  
Attn: TERRI MARTIN

C GENERAL SERVICES P-06  
h T OFS OF STATE PUBLISHING  
a T  
r o 344 NORTH 7TH STREET  
g SACRAMENTO, CA 95811  
e

Agency Billing	Agency Purchase Estimate	Purchase Estimate	Revision
30090	3131065	67460	0

Phone: 408-379-0911

Agency Contact  
STEPHANIE COUNTS

Phone  
916-324-6879

Date Received

Item No.	Quantity	Unit	Commodity Code	Description	Unit Price	Extension
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**TERMS AND CONDITIONS:**

THE ATTACHED STATEMENT OF WORK, CONSISTING OF EIGHT (8) PAGES IS PART OF THIS AGREEMENT.

THE FOLLOWING DOCUMENTS ARE INCORPORATED INTO THIS AGREEMENT AND MAY BE VIEWED AT THE WEBSITE LISTED.

IT General Provisions, GSPD-401IT Revised and Effective 04/12/2007  
<http://www.documents.dgs.ca.gov/pd/modellang/GPIT0407.pdf>

Information Technology Purchase Special Provisions (effective 02/08/07)  
<http://www.documents.dgs.ca.gov/pd/modellang/Purchasespecial020807.pdf>

Information Technology Maintenance Special Provisions (effective 01/21/03)  
<http://www.documents.dgs.ca.gov/pd/modellang/maintenancespecial112103.pdf>

Information Technology Software License Special Provisions (Effective 1/21/03)  
<http://www.pd.dgs.ca.gov/modellang/Software+Special+Provisions+01-21-03.htm>

1	1	EA	9838-000-0009-5	SERVICE MAINTENANCE CONTRACT (AS DESCRIBED) HARDWARE MAINTENANCE FOR ENDURO INSERTING SYSTEMS - 3 YEARS WITH OPTIONAL EXTENSION TO 5 YEARS  FIRST YEAR      \$ 406,686.99  SECOND YEAR      \$ 425,442.99  THIRD YEAR      \$ 445,136.79  OPTIONAL FOURTH YEAR \$ 465,815.28  OPTIONAL FIFTH YEAR \$ 487,527.70	2,230,609.7500	2,230,609.75
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Sales and/or use tax to be extra unless noted above

Buyer MARTY ZUBEIDI	Phone 916-375-4435	BOC Number
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**Department of General Services - Office of Procurement**

## Form GSOP 2-PIN (04/98)

Page 2 (Last)

Item No.	Quantity	Unit	Commodity Code	Description	Unit Price	Extension
<p>SUB TOTAL \$ 2,230,609.75 (1 - 5 YEARS)</p>						
					Total Value:	2,230,609.75
<p><u>FOB DESTINATION:</u></p> <p>For the purpose of this award, only FOB Destination will be accepted.</p> <p><u>CHANGE ORDERS:</u></p> <p>This Purchase Order may be amended, modified, or terminated at any time by mutual agreement of the parties in writing. Change orders amending, modifying or terminating the Purchase Order, including any modifications of the compensation payable, may be issued only by the State Procurement Officer. All such change orders shall be in writing and issued only upon written concurrence of the supplier. Termination, as that term is used in this section, does not include termination for default of the supplier.</p> <p><u>STATE CONTRACTS AND PROCUREMENT REGISTRATION:</u></p> <p>This Purchase Order has been registered into the State Contracts and Procurement Registration System (<a href="https://www.scprs.dgs.ca.gov">https://www.scprs.dgs.ca.gov</a>). The Registration Number is: eP 1017627</p>						

OFFICE OF STATE PUBLISHING  
DIGITAL PRINT/ MASS MAIL SERVICES  
STATEMENT OF WORK

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Bowe Bell & Howe Service and Maintenance

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This Statement of Work ("Agreement") reflects the services to be provided by Bowe Bell & Howell (BB&H), hereinafter referred to as the "Contractor," for the Office of State Publishing, and hereinafter referred to as the "State".

**SCOPE**

The Contractor will provide first and third shift Resident Coverage for service, preventive maintenance and repairs on three (3) Bowe Bell and Howell Enduro Inserting Systems, Enduro Bicos Operation System Software and Enduro Jet Vision Vektor Gold Systems. The term of the contract will be for three (3) years, with an option to extend for two (2) more years. The State has the right to amend contract to reduce Contractor's coverage, without cause, at any time during the term of the agreement.

Support will include the following services:

- Services available via phone and email and first shift resident coverage and third shift resident coverage starting July 1, 2009 of on-site technician support.
- Support Services available five days a week Monday through Friday with first shift hours of 8:00 a.m. to 5:00 p.m. and third shift hours from 10:00 p.m. – 7:00 a.m. (excluding published holidays).
- 1-business-hour response time for critical issues after hours and weekend coverage.
- Contractor to provide service and maintenance for three (3) BB&H Enduro Inserting Systems, Enduro Bicos Operation System Software, Enduro JetVision Vektor Gold Systems.
- One (1) Master Mailer Inserting System, (day shift only) Master Mailer Advanced User Interface Operation Software, MasterMailer JetVision Vektor Gold System, MasterMailer JetVision Vektor Platinum System , JetVision Vektor Gold and Platinum Systems.
- One (1) APEX Sorting System including all hardware.
- Must provide OSP management a routine and recurring maintenance schedule for agreement by OSP management that minimally impacts production.
- During the life of the agreement, software and hardware manufacturer required upgrades, patches, and system configuration changes should be at no cost to OSP other than normal and customary licensing fees not covered under the agreement.
- For on-call: contractor must notify OSP's designated contact within one hour of OSP's initial request for service. The contractor response must include the estimated time of arrival for their designated service person (s). Contractor must provide a guaranteed service response time, not to exceed, four (4) hours from the time a service call is made, till the service provider is on-site. This response time is calculated from OSP's initial request for service till the service person (s) arrives at the designated OSP work area. Phone calls made by the contractor to OSP personnel within the 4-hour window are not considered fulfillment of this criteria.

- Contractor must provide service support for 24 hours per day, 5 day a week, with option to request additional coverage up to 24 hours per day, for 7 days per week, during high volume, high priority workload requirements. OSP shall not be billed at a rate greater than the standard amounts billed to large commercial operations running similar equipment systems and production volumes for Saturday or Sunday service. Request for Saturday or Sunday service will not be billed at a rate greater than the standard amounts billed to large commercial operations running similar equipment systems and production for service calls placed anytime after the contracted service hours.
- Technical support must be provided by factory trained technicians through the term of this contract.
- If Contractor utilizes remote diagnostics, the Contractor must provide secure connections for remote diagnostics such as; Virtual Private Network (VPN), security key modems, which may be utilized for phone support and /or to receive updates.
- The Contractor must be able to repair the defective equipment item(s) within 24 hours from the time the Contractor service personnel arrives at the OSP work site. If Contractor cannot accomplish repairs within 24 hours, Contractor must notify OSP when estimated repairs will be completed. Contractor may provide an on-site inventory of parts to ensure minimal downtime of the equipment, hardware and software for the life of contract. OSP will provide adequate storage space and protection for any Contractor supplied spare parts required for the purpose.
- Contractor must maintain equipment to performance standards to enable OSP to run at the accepted throughput rates agreed to at the time of the State's acceptance. Contractor is not responsible for the State's operator performance levels or material which could affect the machines ability to achieve the throughput rates agreed to at time of equipment systems acceptance.

The Contractor support will help the State to provide quick resolution to questions, trouble shoot solutions, provide software upgrades and maintain equipment in an efficient operational condition to enable that sensitive time dated materials are mailed timely.

#### **PERIOD OF PERFORMANCE**

The Contractor will provide first and third shift Resident Coverage for service, preventive maintenance and repairs from July 1, 2009 through June 30, 2012, with an optional two (2) year agreement extension through June 30, 2014. The State has the right to amend contract to reduce Contractor's coverage, without cause, at any time during the term of the agreement.

#### **BILLING INFORMATION**

The Contractor shall submit invoices (including the purchase order number) to the following address:

Office of State Publishing  
Attn: Leticia Garcia, Procurement Accounts Receivable  
344 N. 7<sup>th</sup> St.  
Sacramento, CA 95814

**POINTS OF CONTACT**

Contractor Primary Contact:

Gary Landess  
Bowe Bell and Howell  
2133 Boyden  
Lincoln CA 95648  
Ph: 916/434-6010  
Fax: 916/434-6011 Fax:  
E-mail: [gary.landess@bowebellhowell.com](mailto:gary.landess@bowebellhowell.com)

State's Primary Contact:

Terri Martin, Superintendent  
Digital Print/Mass Mailing Services  
344 N. 7<sup>th</sup> Street  
Sacramento, CA 95811  
Ph: 916/240-0538  
Fax: 916/445-5400  
E-mail: [terri.martin@dgs.ca.gov](mailto:terri.martin@dgs.ca.gov)

Please forward renewal notices to the attention of the State's Primary Contact.

**TERMINATION**

The State shall have the right to terminate maintenance upon delivery of written notice at least thirty (30) calendar days prior to any scheduled renewal date.

**INFORMATION TECHNOLOGY MAINTENANCE  
SPECIAL PROVISIONS**

The following terms and conditions supersede and replace any alternate or inconsistent terms and conditions in the Statement of Work

**1. Maintenance of Equipment**

The Contractor is responsible under this Contract to maintain the Equipment identified in the Statement of Work. The Contractor shall keep the Equipment in good operating condition and shall always be responsive to the maintenance requirements of the State. Equipment maintenance shall be provided in accordance with this Contract, with the maintenance charges, Period of Maintenance Coverage, locations, etc. listed in the Statement of Work.

**2. Exclusions**

a. Maintenance service does not include:

- 1) Electrical work external to the Machines or maintenance of accessories, alterations, Attachments, or other devices not listed in the Statement of Work.
- 2) Repair of damage or increase in service time caused by: accident; disaster, which shall include, but not be limited to, fire, flood, water, wind, and lightning; transportation; neglect, misuse, fault or negligence of the State; and alterations, which shall include, but not be limited to, any deviation from Contractor's physical, mechanical, or electrical Machine design, and Attachments.
- 3) Repair of damage or increase in service time resulting from failure to provide a suitable installation environment with all facilities prescribed by the appropriate Contractor Installation Manual—Physical Planning (including, but not limited to, failure of, or failure to provide adequate electrical power, air conditioning or humidity control).
- 4) Repair of damage or increase in service time attributable to the use of the Machines for other than the data processing purpose for which it was acquired.
- 5) Furnishing platens, supplies or accessories; painting or refinishing the Machines or furnishing material therefore; inspecting Machines altered by other than Contractor; making specification changes or performing services connected with the relocation of Machines; or adding or removing accessories, Attachments or other devices.
- 6) Such service which is impractical for Contractor to render because of alterations or connection by mechanical or electrical means to another Machine.
- 7) Repair of damage, replacement of parts (due to other than normal wear) or repetitive service calls caused by the use of supplies or materials not meeting Contractor's specifications for such supplies or materials.
- 8) Repair of damage or increase in service time caused by conversion from one Contractor model to another or the installation or removal of a Contractor feature whenever any of the foregoing was performed by other than the Contractor.
- 9) Repair or maintenance by Contractor that is required to restore Equipment to proper operating condition after any person other than Contractor's employee had performed maintenance or otherwise repaired an item of Equipment.

b. The Contractor may be required to perform repair or maintenance on excluded items in paragraph a, above. An additional charge for such repair or maintenance shall be at the established Contract rates in the Statement of Work, or if not stated, be at Contractor's applicable time and material rates and terms then in effect. The procedures for authorization of such maintenance may be the same as those for Remedial Maintenance outside of the Principle Period of Maintenance.

### **3. Responsibilities of the Contractor**

a. This maintenance service includes the following and may be further described in the Statement of Work:

1) Scheduled Preventive Maintenance based upon the specific needs of the individual Machines as determined by manufacturer.

2) Unscheduled, on-call Remedial Maintenance. Such maintenance will include lubrication, adjustments, and replacement of maintenance parts deemed necessary by the Contractor. Maintenance parts will be furnished by Contractor and will be new or equivalent to new in performance when used in these Machines. Replaced maintenance parts become the property of the Contractor.

Preventive maintenance shall be performed on a schedule which is mutually acceptable to the State and the Contractor, which is consistent with the State's operating requirements, and which is based upon the specific needs of the Equipment as determined by the manufacturer. Such schedules shall be in writing and shall specify the frequency and duration of Preventive Maintenance for the Equipment in the Statement of Work.

Remedial Maintenance shall be commenced promptly after notification by an authorized State representative that Equipment and/or Software are inoperative.

### **4. Responsibilities of the State**

a. The State shall provide an appropriate operating environment, including temperature, humidity, and electrical power, in accordance with the environmental requirements contained in the Contractor's published specifications for the Equipment listed on the Statement of Work.

b. Unless mutually agreed to by the Contractor and the State, State personnel will not perform maintenance or attempt repairs to the Equipment while such Equipment is governed by the terms of this Contract.

c. Subject to the State's security regulations, the Contractor shall have full and free access to the Machines to provide service thereon.

### **5. Maintenance Coverage**

A. Period of Maintenance Coverage:

1) The State may select a period or periods of maintenance coverage, as stated in the Statement of Work, in accordance with the following:

(a) A minimum monthly maintenance charge entitles the State to maintenance coverage during the Principal Period of Maintenance.

(b) The State may select in lieu of the hours available for the minimum monthly maintenance charge, one or more of the optional periods of maintenance coverage for an additional charge as shown in the Statement of Work

2) The hours of maintenance coverage for a Machine on Monday through Friday shall be the same each day; and the hours on Saturday and Sunday shall be the same hours on all Saturdays or Sundays. All Machines covered under this Contract must have a simultaneous span of time within the selected periods of maintenance coverage, at least equal to the shortest period offered for any Machine in the System.

3) The State may change its selected Period of Maintenance Coverage by giving Contractor fifteen (15) days prior written notice.

**B. Preventive Maintenance (scheduled)**

Preventive maintenance can either be performed within or outside of the Principal Period of Maintenance (PPM). An additional charge may be made for Preventive Maintenance to be performed outside of the PPM, as set forth in the Statement of Work. No additional charge shall be made for Preventive Maintenance that is to be performed within the PPM.

**C. Remedial Maintenance (unscheduled)**

1) Remedial Maintenance shall be performed after notification by authorized State personnel that the Equipment is malfunctioning.

2) The Contractor shall provide the State with a designated point of contact and will initiate the Remedial Maintenance.

3) There shall be no additional maintenance charges for:

(a) Remedial Maintenance during the Period of Maintenance Coverage unless the Remedial Maintenance is due to the fault or negligence of the State.

(b) Time spent by maintenance personnel after arrival at the site awaiting the arrival of additional maintenance personnel and/or delivery of parts, etc., after a service call has been commenced.

(c) Remedial Maintenance required because the scheduled Preventive Maintenance preceding the malfunction had not been performed, unless the State had failed to provide access to the Equipment.

(d) For time of delay beyond the PPM, Contractor shall continue to perform maintenance for the same amount of time outside the covered period without additional charge to the State.

(e) The first hour of work performed when Remedial Maintenance service is requested during the covered Period of Maintenance and the actual work is begun outside such period.

**6. Maintenance Charges**

a) The monthly maintenance charges described include all maintenance costs, and the State will pay no additional charges unless specifically set forth in this Contract. Maintenance rates shall be firm for the Contract period subject to any maximum annual maintenance escalation as set forth in the Statement of Work.

b) Maintenance charges for fractions of a calendar month shall be computed at the rate of 1/30 of the applicable Total Monthly Maintenance Charge, for each day maintenance was provided.



- c) There will be no charge for travel expense associated with maintenance service or programming service under this Contract except that actual travel expenses will be charged in those instances where the site at which the Machine is located is not normally accessible by private automobile or scheduled public transportation.
- d) All maintenance and other service activities (including but not limited to activities relating to pre-installation planning, inspections, relocation of Machines, engineering changes and altered programming) which may be made available by Contractor to the State at no additional charge or at Contractor's then applicable time and material charges, in connection with any Machines or programming supplied under this Contract, shall be subject to the terms and conditions of this Contract, unless such activities are provided under another written agreement signed by the State and the Contractor.

#### **7. Maintenance Credit for Inoperative Machines**

The Contractor shall grant a proportionate maintenance credit on a Machine shown in the Statement of Work when the Machine is inoperative for consecutive scheduled work periods totaling 24 hours from the time the State notifies the Contractor the Machine was inoperative, provided (1) the Machine became inoperative through no fault of the State, and (2) the breakdown was attributable to Equipment Failure. The credits to be granted by the Contractor to the State shall be as reflected in the Statement of Work.

#### **8. Engineering Changes**

Engineering changes, determined applicable by Contractor, will be controlled and installed by Contractor on Equipment covered by this contract. The State may elect to have only mandatory changes, as determined by Contractor, installed on Machines so designated. A written notice of this election must be provided to the Contractor for confirmation. There shall be no charge for engineering changes made. Any Contractor-initiated change shall be installed at a time mutually agreeable to the State and the Contractor. Contractor reserves the right to charge, at its then current time and material rates, for additional service time and materials required due to no installation of applicable engineering changes after Contractor has made a reasonable effort to secure time to install such changes.

#### **9. Relocation of Equipment**

- a) In the event the Equipment being maintained under the terms and conditions of this Contract is moved to another location within the State of California, the Contractor shall continue to maintain the Equipment at the new location.
- b) The charges of the Contractor to dismantle and pack the Equipment and installation at the new location shall be at the rates set forth in the Statement of Work. The State agrees to pay all costs incidental to any move, including costs for packing, crating, rigging, transportation, unpacking, uncrating, insurance, installation, and State and local sales tax, if any.
- c) If Contractor is responsible for the move, no re-certification charges to confirm continued maintenance eligibility will be applicable. If the move is conducted by other than Contractor, State agrees to pay re-certification charges to Contractor at rates set forth in the Statement of Work.

**10. Termination**

Notwithstanding the Termination for Convenience provisions contained in the General Provisions, upon thirty (30) days' written notification to the Contractor, State may terminate, at no cost to the State, maintenance for all or any portion of the Equipment identified in the Statement of Work.